

Honolulu, Hawaii

March 19, 2008

RE: S.B. No. 2039
S.D. 1
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 2039, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM,"

begs leave to report as follows:

The purpose of this bill is to assist Hawaii's public employee retirees and help offset the effects of inflation on older retirees' pensions by providing a one-time, lump sum pension bonus payment available only to retirees who are at least 75 years of age and who have been in retirement for at least 20 years.

The Hawaii Government Employees Association, Hawaii State Teachers Association, Hawaii State Teachers Association-Retired, and several concerned individuals testified in support of this bill. The Department of Budget and Finance testified in opposition to this measure. The Board of Trustees of the Employees' Retirement System provided comments.

Retirees often face financial challenges because they live on a fixed income. Rising costs of living, compounded by inflation, have made it difficult for retirees to meet their daily needs. This is especially true for those employees who have been retired for over 20 years because their retirement benefits are based upon earnings that are now 20 years old. This one-time, lump sum



pension bonus payment will provide retirees with some needed relief from living expenses.

Your Committee has amended this bill by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2039, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2039, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



ALEX M. SONSON, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

1200-08

Record of Votes of the Committee on Labor & Public Employment

Bill/Resolution No.: SB 2039, SD1	Committee Referral: LAB, FIN	Date: 03-11-08		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAB Members	Ayes	Ayes (WR)	Nays	Excused
1. SONSON, Alex M. (C)	x			
2. NAKASONE, Bob (VC)				x
3. EVANS, Cindy	x			
4. HAR, Sharon E.				x
5. LEE, Marilyn B.	x			
6. LUKE, Sylvia				x
7. McKELVEY, Angus L.K.	x			
8. NISHIMOTO, Scott Y.				x
9. SOUKI, Joseph M.	x			
10. TAKAMINE, Dwight Y.	x			
11. TAKUMI, Roy M.	x			
12. MEYER, Colleen Rose				x
13. PINE, Kymberly Marcos				x
TOTAL (13)	7	0	0	6
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				